



February 14th, 2023

The Honorable Senator Cabrera Senate Chair
The Honorable Representative Wood House Chair
Insurance and Real Estate Committee
Legislative Office Building, Room 2E
Hartford, CT 06106

RE: HB 6619 AN ACT CONCERNING BANNING PAY FOR DELAY; Support

Chair Cabrera, Chair Wood, Members of the Committee,
My name is Sam Hallemeier, Director of State Affairs, writing on behalf of the Pharmaceutical Care Management Association (PCMA) to support HB 6619. PCMA is the national association representing America's pharmacy benefit managers (PBMs). PBMs administer prescription drug plans and operate mail-order and specialty pharmacies for more than 275 million Americans with health coverage through large employers, health insurers, labor unions, and federal and state-sponsored health programs.

PCMA applauds members of the Insurance and Real Estate Committee for recognizing that greater competition in the prescription drug market will lead to lower prescription drug costs for patients. The advancement of this bill would help to further limit common and egregious anti-competitive practices used to unfairly extend monopolies, and encourage greater competition and investment in more affordable options, like biosimilars, for patients.

A competitive private market is the best way to manage drug costs. Interventions should be focused on fixing specific market failures or gaps rather than subverting the market entirely. Policies that enhance competition such as HB 6619 will make drugs more affordable. Direct competition among products lowers prices, and competition in the prescription drug market has proven effective, with as few as six generic competitors lowering prices by 95%.¹ The prescription drug market is unique, with patent and exclusivity protections designed to incent innovation by creating monopolies, granting manufacturers virtually unlimited pricing power for extended periods.

Drug manufacturers alone controls their prices—and they alone can lower them for constituents in Connecticut today. This problem was highlighted in a recent NY Times article focused on how AbbVie has generated \$114 billion in revenue since 2016 from its anti-inflammatory drug Humira by gaming the patent system to block more affordable competitors. Since the end of 2016, Humira's list price has gone up about 30 times to a total increase of 60%, and is now over

¹ FDA. 2022. <https://www.fda.gov/about-fda/center-drug-evaluation-and-research-cder/generic-competition-and-drug-prices>.



\$80,000 a year, according to SSR Health. AbbVie was granted 165 patents for Humira, the majority of which were filed after the drug was on the market.

To increase competition and lower patient and plan sponsor costs, it is imperative for policymakers to end the anticompetitive tactics used by big drug companies. The simplest, most effective way to reduce patient cost on drugs is for more competition. Thank you for allowing to provide comments in support of HB 6619.

Sam Hallemeier

A handwritten signature in black ink, appearing to read "Sam Hallemeier".

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